

GRANITE WATERSHED ENHANCEMENT AND PROTECTION  
ACT OF 1998

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MAY 12, 1998.—Committed to the Committee of the Whole House on the State of  
the Union and ordered to be printed

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Mr. YOUNG of Alaska, from the Committee on Resources,  
submitted the following

REPORT

[To accompany H.R. 2886]

[Including cost estimate of the Congressional Budget Office]

The Committee on Resources, to whom was referred the bill (H.R. 2886) to provide for a demonstration project in the Stanislaus National Forest, California, under which a private contractor will perform multiple resource management activities for that unit of the National Forest System, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Granite Watershed Enhancement and Protection Act of 1998”.

**SEC. 2. DEMONSTRATION RESOURCE MANAGEMENT PROJECT, STANISLAUS NATIONAL FOREST, CALIFORNIA, TO ENHANCE AND PROTECT THE GRANITE WATERSHED.**

(a) **RESOURCE MANAGEMENT CONTRACT AUTHORIZED.**—The Secretary of Agriculture may enter into a contract with a single private contractor to perform multiple resource management activities on Federal lands within the Stanislaus National Forest in the State of California for the purpose of demonstrating enhanced ecosystem health and water quality, and significantly reducing the risk of catastrophic wildfire, in the Granite watershed at a reduced cost to the Government. The contract shall be for a term of five years.

(b) **AUTHORIZED MANAGEMENT ACTIVITIES.**—The types of resource management activities performed under the contract shall include the following:

(1) Reduction of forest fuel loads through the use of precommercial and commercial thinning and prescribed burns.

(2) Monitoring of ecosystem health and water quality in the Granite watershed.

(3) Monitoring of the presence of wildlife in the area in which management activities are performed and the effect of the activities on wildlife presence.

(4) Such other resource management activities as the Secretary considers appropriate to demonstrate enhanced ecosystem health and water quality in the Granite watershed.

(c) COMPLIANCE WITH FEDERAL LAW AND SPOTTED OWL GUIDELINES.—All resource management activities performed under the contract shall be performed in a manner consistent with applicable Federal law and the standards and guidelines for the conservation of the California spotted owl (as set forth in the California Spotted Owl Sierran Province Interim Guidelines or the subsequently issued final guidelines, whichever is in effect).

(d) FUNDING.—

(1) SOURCES OF FUNDS.—To provide funds for the resource management activities to be performed under the contract, the Secretary may use—

(A) funds appropriated to carry out this section;

(B) funds specifically provided to the Forest Service to implement projects to demonstrate enhanced water quality and protect aquatic and upland resources;

(C) excess funds that are allocated for the administration and management of the Stanislaus National Forest, California;

(D) hazardous fuels reduction funds allocated for Region 5 of the Forest Service; and

(E) a contract provision allowing the cost of performing authorized management activities described in subsection (b) to be offset by the values owed to the United States for any forest products removed by the contractor.

(2) PROHIBITION ON USE OF CERTAIN FUNDS.—Except as provided in paragraph (1), the Secretary may not carry out the contract using funds appropriated for any other unit of the National Forest System.

(3) CONDITIONS ON FUNDS TRANSFERS.—Any transfer of funds under paragraph (1) may be made only in accordance with the procedures concerning notice to, and review by, the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate that are applied by the Secretary in the case of a transfer of funds between appropriations.

(e) ACCEPTANCE AND USE OF STATE FUNDS.—The Secretary may accept and use funds provided by the State of California to assist in the implementation of the contract under this section.

(f) REPORTING REQUIREMENTS.—Not later than February 28 of each year during the term of the contract, the Secretary shall submit to Congress a report describing—

(1) the resource management activities performed under the contract during the period covered by the report;

(2) the source and amount of funds used under subsection (d) to carry out the contract; and

(3) the resource management activities to be performed under the contract during the calendar year in which the report is submitted.

(g) RELATIONSHIP TO OTHER LAWS.—Nothing in this section exempts the contract, or resource management activities to be performed under the contract, from any Federal environmental law.

#### PURPOSE OF THE BILL

The purpose of H.R. 2886 is to provide for a demonstration project in the Stanislaus National Forest, California, under which a private contractor will perform multiple resource management activities for that unit of the National Forest System.

#### BACKGROUND AND NEED FOR LEGISLATION

H.R. 2886 authorizes the Secretary of Agriculture to conduct a demonstration project on the Stanislaus National Forest to accomplish multiple resource objectives aimed at reducing fire risk and improving water quality under a single contract. The proposed project area is on approximately 8,000 acres of national forest land located in and around the 1973 Granite Burn on the Groveland District of the Stanislaus National Forest. Legislation is needed to

provide the Forest Service the contracting authority to develop a multi-services contract. The legislation specifies that the project will be subject to all applicable environmental rules and standards.

#### COMMITTEE ACTION

H.R. 2886 was introduced on November 7, 1997, by Congressman John Doolittle (R-CA). The bill was referred to the Committee on Resources, and within the Committee to the Subcommittee on Forests and Forest Health. On March 24, 1998, the Subcommittee held a hearing on H.R. 2886, where the Administration testified in support but suggested a technical amendment. On April 23, 1998, the Subcommittee met to mark up H.R. 2886. Mr. Doolittle offered an amendment in the nature of a substitute, incorporating language from the Administration to add the authority needed to most efficiently deliver the intended program of work and making several technical changes requested by local environmental organizations. The amendment was adopted by voice vote and the bill was ordered favorably reported to the Full Committee by voice vote. On April 29, 1998, the Committee on Resources met to consider H.R. 2886. No further amendments were offered and the bill was ordered favorably reported, as amended, to the House of Representatives by voice vote.

#### COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

With respect to the requirements of clause 2(1)(3) of rule XI of the Rules of the House of Representatives, and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the Committee on Resources' oversight findings and recommendations are reflected in the body of this report.

#### CONSTITUTIONAL AUTHORITY STATEMENT

Article I, section 8 and Article IV, section 3 of the Constitution of the United States grant Congress the authority to enact H.R. 2886.

#### COST OF THE LEGISLATION

Clause 7(a) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs which would be incurred in carrying out H.R. 2886. However, clause 7(d) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 403 of the Congressional Budget Act of 1974.

#### COMPLIANCE WITH HOUSE RULE XI

1. With respect to the requirement of clause 2(1)(3)(B) of rule XI of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, H.R. 2886 does not contain any new budget authority, credit authority, or an increase or decrease in revenues or tax expenditures. According to the Congressional Budget Office, enactment of H.R. 2886 could increase direct

spending by approximately \$200,000; this will have no significant impact on the federal budget.

2. With respect to the requirement of clause 2(l)(3)(D) of rule XI of the Rules of the House of Representatives, the Committee has received no report of oversight findings and recommendations from the Committee on Government Reform and Oversight on the subject of H.R. 2886.

3. With respect to the requirement of clause 2(l)(3)(C) of rule XI of the Rules of the House of Representatives and section 403 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 2886 from the Director of the Congressional Budget Office.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, May 11, 1998.*

Hon. DON YOUNG,  
*Chairman, Committee on Resources,  
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 2886, the Granite Watershed Enhancement and Protection Act of 1998.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Victoria V. Heid (for federal costs), and Marjorie Miller (for the state and local impact).

Sincerely,

JAMES L. BLUM  
(For June E. O'Neill, Director).

Enclosure.

*H.R. 2886—Granite Watershed Enhancement and Protection Act of 1998*

CBO estimates that enacting H.R. 2886 would have no significant impact on the federal budget. Because the bill would increase direct spending, pay-as-you-go procedures would apply, but we estimate the increase would total only about \$200,000. This bill would impose no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 and would impose no costs on state, local, or tribal governments. The state of California and local governments in the state might choose to share in the cost of this project, but their involvement would be voluntary.

H.R. 2886 would authorize the Secretary of Agriculture to enter into a five-year contract with a single private contractor to perform multiple management activities on federal land in the Stanislaus National Forest in California and to fund that contract using receipts from forest products removed by the contractor, as well as funds provided by the state of California and appropriated funds.

The U.S. Forest Service is planning to conduct the Granite Watershed Pilot Project on an area known as the Granite Burn over the next five years. Work to be performed under the contract will include timber stand thinning, brush removal, road closures and maintenance, and other land management work. According to the

Forest Service, outlays to implement the project will total about \$5 million over the 1999–2003 period. The agency plans to conduct the project, including the timber stand thinning, under current law using appropriated funds. (The agency has applied for a grant from the CALFED Bay-Delta Program, a consortium of federal and state agencies, to partially fund the project, but that grant may or may not be awarded.)

Enacting H.R. 2886 would allow the agency to pay for a portion of the project using offsetting receipts generated from the projects timber stand thinning. The Forest Service expects the thinning to generate offsetting receipts of approximately \$200,000 in fiscal year 1999. Based on information from the Forest Service, CBO estimates that enacting the bill would increase direct spending outlays by \$200,000 in fiscal year 1999. Because the bill would allow the Forest Service to use the receipts to pay for the project, enacting the bill could either decrease discretionary outlays by about \$200,000 or allow the agency to fund additional work, depending on how the Forest Service implements the project. We estimate that other provisions in the bill would have no net effect on the federal budget.

The CBO staff contacts for this estimate are Victoria V. Heid (for federal costs), and Marjorie Miller (for the state and local impact). This estimate was approved by Paul N. Van de Water, Assistant Director for Budget Analysis.

#### COMPLIANCE WITH PUBLIC LAW 104–4

H.R. 2886 contains no unfunded mandates.

#### CHANGES IN EXISTING LAW

If enacted, H.R. 2886 would make no changes in existing law.

